

Siskiyou County Economic Forecast

Siskiyou is the largest county by area in northern California. More than 60 percent of Siskiyou County's land is managed by federal and state government agencies including the Forest Service, the Bureau of Land Management, the U.S. Fish and Wildlife Service, and the California Department of Fish and Game. The county's rich natural resources support recreation and tourism, which influence local employment trends.

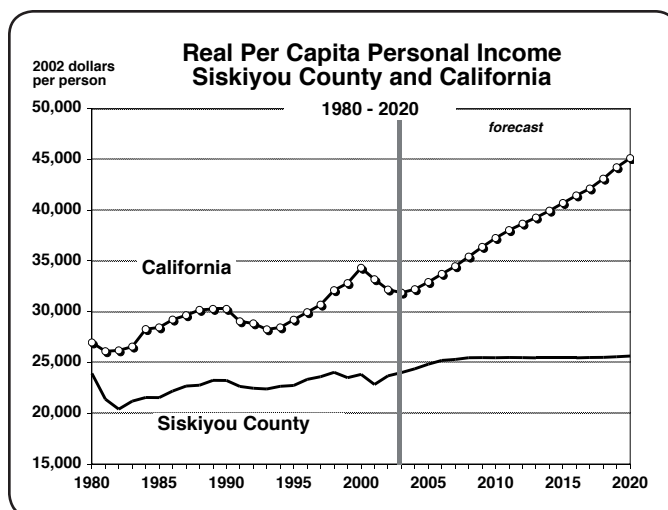
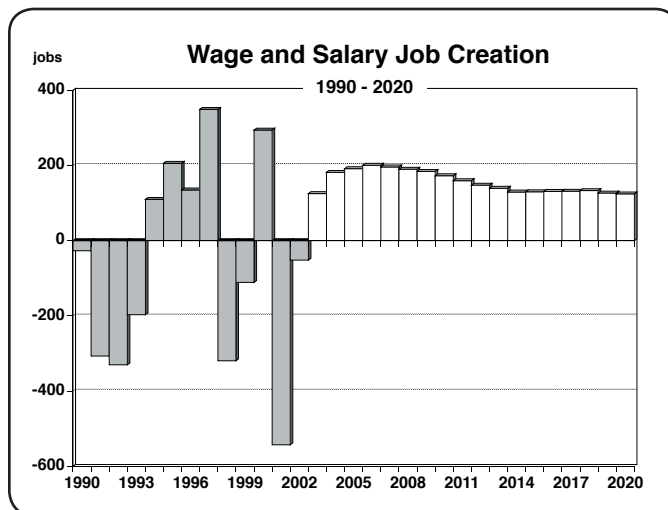
The population of Siskiyou County was estimated at 44,400 in January of 2003, virtually the same level as that of the 2000 Census. Yreka, the county seat and largest city, has a population of 7,300. Yreka provides support for professional services, medical facilities, and a full range of retail businesses, making it the trade center for the county. Population in Yreka and the county in general has actually been in decline since 1997.

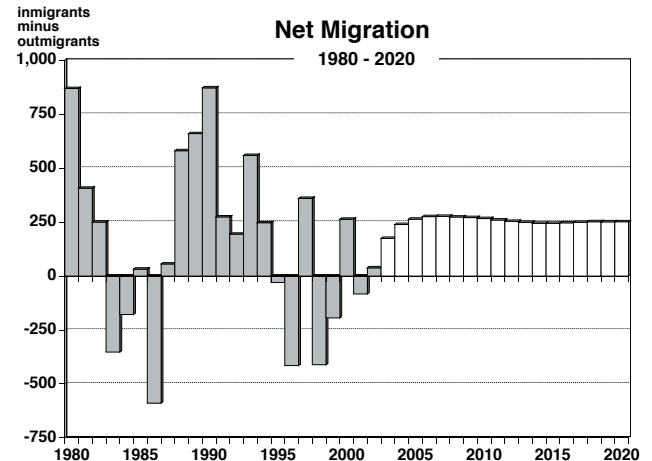
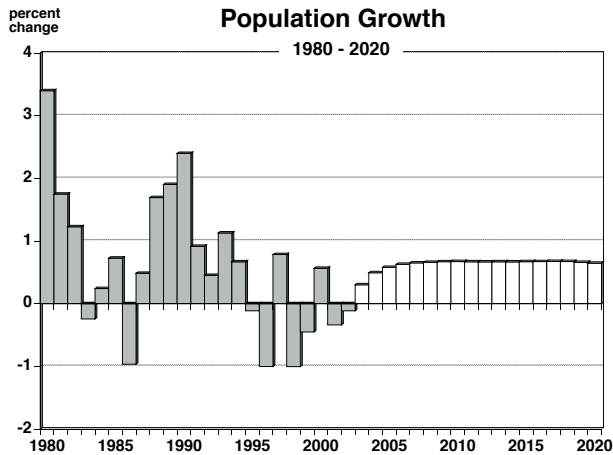
Over the last decade, environmental constraints have changed the job market in Siskiyou County. Historically, jobs were concentrated in the timber industry, but that sector has been subject to significant consolidation in recent years. Today the majority of jobs are found in government, services, retail trade, and the farm sector. In 2002, government accounted for the largest share of jobs with over 27 percent of total employment. The majority of government jobs are in the local government sector. Services contributed 23 percent of the total, and retail trade made up 24 percent of all jobs. Within retail trade, most of the jobs are associated with restaurants and food stores.

Manufacturing currently accounts for 6.3 percent of total employment. The forecast calls for a slight rebound in non-durable manufacturing because the labor force is available, housing is available and inexpensive, and wage rates are competitive. Agricultural activity includes the production of potatoes, grains, sugarbeets, onions, alfalfa, and strawberries, as well as livestock.

Forecast Highlights

- Non-farm job growth is forecast to rise 1.2 percent per year over the next 5 years. The principal sectors of growth are services and retail trade. Services add about 400 jobs between 2003 and 2008. The retail and wholesale trade sector is forecast to create 270 new jobs during this same period. The public sector will contribute approximately 150 new jobs.
- Inflation-adjusted per capita income rises an average of 1.2 percent per year over the next 5 years. In 2002, per person average income was \$23,686. Average salaries will also increase as the services industry matures in Siskiyou County.
- Population growth turns positive over the next 5 years, averaging 0.6 percent growth per year. This compares to the negative growth rate that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age cohorts) and higher net migration are responsible for the higher rate of population growth projected during the decade.





Siskiyou County Economic Forecast

1995-2002 History, 2003-2020 Forecast

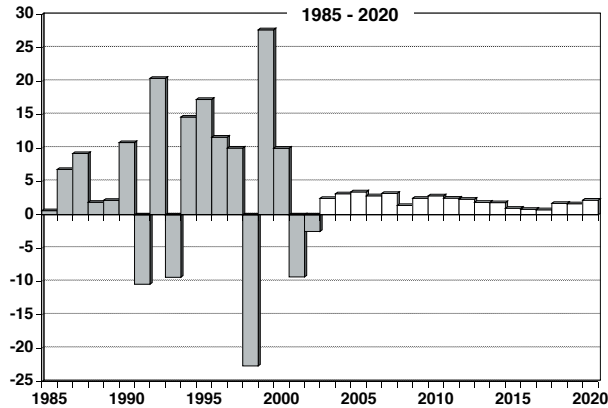
| | July Population (people) | Net Migration (people) | Registered Vehicles (thousands) | Households (thousands) | New Homes Permitted (homes) | Retail Sales (millions) | Personal Income (millions) | Real Per Capita Income (dollars) | Farm Crop Value (millions) | Industrial Production (millions) |
|------|--------------------------------|------------------------------|---------------------------------------|---------------------------|-----------------------------------|-------------------------------|----------------------------------|---|-------------------------------------|--|
| 1995 | 45,000 | -30 | 54.9 | 18.4 | 176 | \$209.8 | \$803.6 | \$22,740 | \$120.8 | \$419.4 |
| 1996 | 44,550 | -415 | 56.0 | 18.5 | 153 | \$212.0 | \$835.3 | \$23,337 | \$115.9 | \$468.2 |
| 1997 | 44,900 | 360 | 52.8 | 18.6 | 138 | \$216.5 | \$880.8 | \$23,606 | \$122.8 | \$515.1 |
| 1998 | 44,450 | -411 | 54.6 | 18.7 | 125 | \$212.5 | \$916.1 | \$24,034 | \$118.9 | \$398.5 |
| 1999 | 44,250 | -194 | 55.2 | 18.9 | 154 | \$226.2 | \$929.7 | \$23,508 | \$116.6 | \$509.0 |
| 2000 | 44,500 | 263 | 56.7 | 18.6 | 147 | \$225.7 | \$990.0 | \$23,828 | \$119.0 | \$559.8 |
| 2001 | 44,350 | -83 | 59.0 | 18.7 | 216 | \$235.0 | \$996.5 | \$22,836 | \$109.4 | \$507.8 |
| 2002 | 44,300 | 38 | 60.1 | 18.8 | 194 | \$254.9 | \$1,049.3 | \$23,686 | \$105.0 | \$495.2 |
| 2003 | 44,434 | 174 | 60.6 | 18.9 | 192 | \$265.5 | \$1,093.5 | \$24,005 | \$107.6 | \$507.5 |
| 2004 | 44,654 | 239 | 61.1 | 19.1 | 174 | \$275.0 | \$1,146.9 | \$24,373 | \$110.6 | \$523.5 |
| 2005 | 44,914 | 264 | 61.8 | 19.3 | 183 | \$288.9 | \$1,207.9 | \$24,831 | \$113.7 | \$541.5 |
| 2006 | 45,197 | 275 | 62.4 | 19.4 | 181 | \$305.2 | \$1,267.6 | \$25,205 | \$116.8 | \$557.1 |
| 2007 | 45,492 | 277 | 63.1 | 19.6 | 182 | \$320.2 | \$1,314.4 | \$25,304 | \$119.9 | \$575.0 |
| 2008 | 45,793 | 274 | 63.9 | 19.7 | 180 | \$335.4 | \$1,366.6 | \$25,469 | \$123.0 | \$583.2 |
| 2009 | 46,100 | 271 | 64.6 | 19.9 | 176 | \$349.1 | \$1,412.3 | \$25,481 | \$126.2 | \$597.7 |
| 2010 | 46,411 | 266 | 65.2 | 20.0 | 172 | \$362.2 | \$1,461.2 | \$25,475 | \$129.8 | \$614.8 |
| 2011 | 46,722 | 260 | 65.8 | 20.2 | 172 | \$375.1 | \$1,513.8 | \$25,490 | \$133.5 | \$630.2 |
| 2012 | 47,034 | 254 | 66.4 | 20.3 | 175 | \$387.7 | \$1,567.6 | \$25,486 | \$137.3 | \$644.9 |
| 2013 | 47,349 | 249 | 66.9 | 20.4 | 177 | \$399.9 | \$1,622.1 | \$25,451 | \$141.3 | \$657.1 |
| 2014 | 47,666 | 244 | 67.3 | 20.6 | 178 | \$411.6 | \$1,678.5 | \$25,457 | \$145.2 | \$669.1 |
| 2015 | 47,986 | 245 | 67.8 | 20.7 | 181 | \$423.3 | \$1,735.9 | \$25,455 | \$149.2 | \$675.8 |
| 2016 | 48,309 | 247 | 68.2 | 20.8 | 180 | \$435.6 | \$1,797.2 | \$25,459 | \$153.4 | \$681.4 |
| 2017 | 48,636 | 249 | 68.5 | 21.0 | 177 | \$449.0 | \$1,864.7 | \$25,487 | \$157.9 | \$686.7 |
| 2018 | 48,964 | 252 | 68.8 | 21.1 | 171 | \$462.6 | \$1,932.0 | \$25,510 | \$162.4 | \$698.6 |
| 2019 | 49,287 | 251 | 69.1 | 21.2 | 169 | \$476.7 | \$2,002.8 | \$25,569 | \$166.9 | \$710.3 |
| 2020 | 49,606 | 252 | 69.3 | 21.4 | 170 | \$491.5 | \$2,074.9 | \$25,642 | \$171.3 | \$725.9 |

- The number of residential unit permits forecast for the 2003 to 2008 period averages 182 per year. This is slightly higher than the average 162 units built per year between 1997 and 2002 in Siskiyou.

average annual
percent change

Real Industrial Production

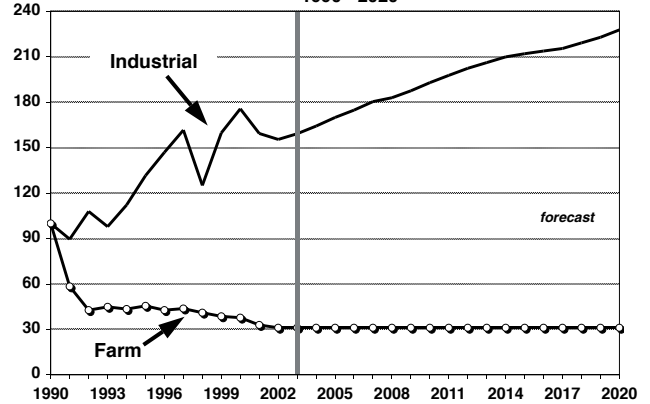
1985 - 2020



inflation-
adjusted index
(1990=100)

Industrial and Farm Production Indices

1990 - 2020



| Total Wage & Salary | Farm | Mining & Construction | Manufacturing | Transportation, Utilities | Wholesale, Retail Trade | Finance, Real Estate | Services | Government |
|-----------------------------|-------|--------------------------|---------------|------------------------------|-------------------------------|----------------------------|----------|------------|
| -----employment (jobs)----- | | | | | | | | |
| 14,376 | 1,302 | 760 | 1,311 | 795 | 3,333 | 462 | 2,753 | 3,661 |
| 14,511 | 1,176 | 810 | 1,366 | 767 | 3,353 | 424 | 2,859 | 3,756 |
| 14,860 | 1,208 | 880 | 1,449 | 682 | 3,296 | 489 | 3,060 | 3,797 |
| 14,541 | 1,213 | 670 | 1,193 | 620 | 3,388 | 505 | 3,146 | 3,807 |
| 14,430 | 1,068 | 670 | 1,199 | 708 | 3,273 | 499 | 3,193 | 3,820 |
| 14,724 | 1,082 | 690 | 1,221 | 698 | 3,341 | 536 | 3,310 | 3,848 |
| 14,182 | 850 | 620 | 1,126 | 708 | 3,357 | 562 | 3,099 | 3,860 |
| 14,130 | 790 | 660 | 890 | 690 | 3,420 | 530 | 3,270 | 3,880 |
| 14,255 | 746 | 687 | 860 | 683 | 3,465 | 544 | 3,373 | 3,897 |
| 14,437 | 727 | 701 | 886 | 673 | 3,509 | 557 | 3,461 | 3,922 |
| 14,629 | 719 | 708 | 910 | 666 | 3,560 | 569 | 3,543 | 3,954 |
| 14,829 | 716 | 712 | 930 | 660 | 3,620 | 583 | 3,624 | 3,986 |
| 15,026 | 714 | 714 | 948 | 655 | 3,678 | 599 | 3,701 | 4,017 |
| 15,216 | 714 | 715 | 966 | 651 | 3,735 | 615 | 3,771 | 4,049 |
| 15,400 | 713 | 715 | 980 | 649 | 3,787 | 632 | 3,842 | 4,081 |
| 15,573 | 713 | 715 | 990 | 647 | 3,836 | 650 | 3,913 | 4,111 |
| 15,733 | 713 | 714 | 993 | 645 | 3,881 | 669 | 3,979 | 4,138 |
| 15,880 | 713 | 714 | 996 | 644 | 3,924 | 688 | 4,037 | 4,165 |
| 16,020 | 713 | 714 | 1,000 | 644 | 3,963 | 706 | 4,087 | 4,193 |
| 16,150 | 713 | 713 | 1,004 | 644 | 4,001 | 723 | 4,132 | 4,220 |
| 16,280 | 713 | 713 | 1,008 | 645 | 4,036 | 738 | 4,179 | 4,248 |
| 16,411 | 713 | 713 | 1,011 | 646 | 4,071 | 753 | 4,227 | 4,277 |
| 16,542 | 713 | 712 | 1,012 | 647 | 4,107 | 768 | 4,277 | 4,306 |
| 16,676 | 713 | 712 | 1,012 | 648 | 4,143 | 783 | 4,331 | 4,335 |
| 16,803 | 713 | 711 | 1,011 | 650 | 4,179 | 798 | 4,380 | 4,361 |
| 16,927 | 713 | 710 | 1,011 | 651 | 4,215 | 812 | 4,427 | 4,387 |

